

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner
Edgar R. Carter, Comptroller



Monthly Revenue Summary

	<i>(for month)</i>		
	<u>FY 12</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 250.5	\$ 252.6	\$ (2.1)
Highway	\$ 26.8	\$ 27.2	\$ (0.4)
Fish & Game	\$ 0.9	\$ 0.6	\$ 0.3

Current Month

General & Education Funds	<i>FY 12</i> <i>Actuals</i>	<i>FY 12</i> <i>Plan</i>	<i>Actual vs.</i> <i>Plan</i>	<i>%</i> <i>Inc/(Dec)</i>
Business Profits Tax	\$ 45.0	\$ 48.8	\$ (3.8)	-7.8%
Business Enterprise Tax	29.0	29.7	(0.7)	-2.4%
Subtotal Business Taxes	74.0	78.5	(4.5)	-5.7%
Meals & Rentals Tax	17.6	17.0	0.6	3.5%
Tobacco Tax	16.4	15.7	0.7	4.5%
Transfer from Liquor Commission	9.5	9.8	(0.3)	-3.1%
Interest & Dividends Tax	36.1	32.4	3.7	11.4%
Insurance Tax	1.3	1.5	(0.2)	-13.3%
Communications Tax	6.9	6.7	0.2	3.0%
Real Estate Transfer Tax	5.7	5.6	0.1	1.8%
Court Fines & Fees	1.1	1.2	(0.1)	-8.3%
Securities Revenue	16.5	18.1	(1.6)	-8.8%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	2.1	1.7	0.4	23.5%
Beer Tax	1.0	1.0	-	0.0%
Other	6.9	7.4	(0.5)	-6.8%
Transfer from Lottery Commission	6.5	5.5	1.0	18.2%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	0.0%
Tobacco Settlement	42.5	42.4	0.1	0.2%
Utility Property Tax	7.7	7.1	0.6	8.5%
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	252.6	252.4	0.2	0.1%
Net Medicaid Enhancement Revenue	(2.6)	-	(2.6)	100.0%
Recoveries	0.5	0.2	0.3	150.0%
Total Receipts	\$ 250.5	\$ 252.6	\$ (2.1)	-0.8%

All funds reported on a cash basis, dollars in millions.

Analysis

Unrestricted revenue from the General and Education Funds for April totaled \$250.5 million, which was below plan by \$2.1 million but above prior year by \$2.3 million. Year to date (YTD) revenue totaled \$1,862.1 million, which was below plan by \$32.2 million and below prior year by \$28.8 million. Traditional taxes (exclusive of MET) were \$3.9 million or 0.2% ahead of plan YTD and \$18.6 million or 1.0% above prior year.

Business taxes (BPT & BET) for April totaled \$74.0 million, which was below plan by \$4.5 million and approximately equal to prior year. Non-corporate returns or extensions and first quarters estimated payments were due April 15th for calendar year taxpayers. According to the Department of Revenue (DRA), YTD results reflect 5.3% higher taxes received with returns, extensions and estimates as compared to prior year. Tax notice revenue continues to be substantially lower at \$14.9 million or 39% below prior YTD April totals. YTD refunds, however, are also lower by \$20.4 million or 45% lower versus the same period in the prior year.

Meals and Rentals Tax (M&R) receipts this month came in \$0.6 million above plan. As can be seen in the chart on page 2, gross revenue receipts for the month, before the effect of Debt Service transfers, were 4% above prior year and YTD is tracking \$10.3 million or 5% above prior year. According to DRA, April collections (March revenue) benefited from favorable weather in the month of March and an additional weekend day as compared to March last year. M&R has exceeded plan in all months since August.

Tobacco Tax revenue for the month of April was above plan and prior year by \$0.7 million and \$0.1 million, respectively. YTD Tobacco tax revenue is still tracking 5.6% below plan and 9.0% below prior year. Approximately \$10 million of this shortfall relates to the lower tax rate. (see table on page 4)

The **Interest & Dividends Tax (I&D) Tax** collections for April totaled \$36.1 million, and were above both plan and prior year by \$3.7 million and \$6.8 million, respectively. Returns or extensions and the first quarter estimated payments were due April 15th. DRA statistics indicate the number of documents processed with tax payments in April for I&D increased 6.6% from the prior year. Also, monthly collections on returns and extensions increased 20.9% with estimated payments increasing 16.3% from the prior year. On a YTD basis, I&D collections are still below plan by \$4.1 million while above prior year by \$2.5 million.

The **Real Estate Transfer Tax (RET)** collected from Counties on residential and commercial sales of the prior month, and collected directly for large and related party transactions, has once again surpassed the month plan bringing year to date collections \$3.0 million above plan. The number of transactions reported by the Counties have exceeded the prior year for every month in this fiscal year except one. County residential and commercial transactions (excludes holding company activity) in total are 7.2% higher than the same July to March period last year.

Securities Revenue for April totaled \$16.5 million, which were \$1.6 million below plan and \$2.1 million below prior year. According to Secretary of State's office, approximately \$1.2 million of revenue expected for April will be received and recorded next month.

Continued on page 2

During April, the state received the annual payment from the nationwide **Tobacco Settlement** in the amount of \$42.5 million.

Medicaid Enhancement Tax refunds were issued to hospitals during the month for refund requests which have been validated to date.

RET Analysis

(In Millions)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
FY12	7.6	9.8	7.7	6.6	7.0	6.1	8.0	5.4	4.3	5.7
FY11	9.6	6.9	6.6	6.7	6.6	7.3	7.7	5.1	5.1	5.6
FY10	9.0	8.3	7.6	8.1	7.1	7.3	7.4	4.6	4.4	6.4
Mo over Mo	(2.0)	2.9	1.1	(0.1)	0.4	(1.2)	0.3	0.3	(0.8)	0.1
% Mo over Mo	-21%	42%	17%	-1%	6%	-16%	4%	6%	-16%	2%
YTD change over Prior Year	(2.0)	0.9	2.0	1.9	2.3	1.1	1.4	1.7	0.9	1.0
% YTD change	-21%	5%	9%	6%	6%	3%	3%	3%	1%	1%

Business Tax Refund Analysis

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
FY12	1.2	1.6	3.2	1.8	5.5	3.8	4.0	1.3	1.5	1.2
FY11	3.4	0.9	3.5	5.2	6.1	2.5	15.0	3.5	3.3	2.1
FY10	1.6	1.2	2.1	3.6	6.3	5.2	7.2	6.4	3.7	6.6
Mo over Mo change	(2.2)	0.7	(0.3)	(3.4)	(0.6)	1.3	(11.0)	(2.2)	(1.8)	(0.9)
YTD change	(2.2)	(1.5)	(1.8)	(5.2)	(5.8)	(4.5)	(15.5)	(17.7)	(19.5)	(20.4)

M&R Analysis

	April			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
Gross Collections	18.8	18.0	0.8	213.8	203.5	10.3
Bldg Aid Debt Svc Transfer	(1.2)	(0.5)	(0.7)	(12.1)	(4.1)	(8.0)
Net Revenue	17.6	17.5	0.1	201.7	199.4	2.3

General & Education Funds Comparison to FY 11

Monthly

Year-to-Date

General & Education Funds	FY 12	FY 11	Inc/(Dec)	FY 12	FY 11	Inc/(Dec)	%
	Actuals	Actuals		Actuals	Actuals		
Business Profits Tax	\$ 45.0	\$ 45.3	\$ (0.3)	\$ 254.4	\$ 239.2	\$ 15.2	6.4%
Business Enterprise Tax	29.0	29.4	(0.4)	165.8	153.5	12.3	8.0%
Subtotal Business Taxes	74.0	74.7	(0.7)	420.2	392.7	27.5	7.0%
Meals & Rentals Tax	17.6	17.5	0.1	201.7	199.4	2.3	1.2%
Tobacco Tax	16.4	16.3	0.1	174.9	192.3	(17.4)	-9.0%
Transfer from Liquor Commission	9.5	8.5	1.0	104.5	102.2	2.3	2.3%
Interest & Dividends Tax	36.1	29.3	6.8	68.4	65.9	2.5	3.8%
Insurance Tax	1.3	2.0	(0.7)	84.4	82.3	2.1	2.6%
Communications Tax	6.9	6.3	0.6	65.9	66.9	(1.0)	-1.5%
Real Estate Transfer Tax	5.7	5.6	0.1	68.2	67.2	1.0	1.5%
Court Fines & Fees	1.1	1.1	-	11.3	11.3	-	0.0%
Securities Revenue	16.5	18.6	(2.1)	32.8	34.0	(1.2)	-3.5%
Utility Consumption Tax	0.5	0.5	-	5.0	5.1	(0.1)	-2.0%
Board & Care Revenue	2.1	1.7	0.4	19.5	16.7	2.8	16.8%
Beer Tax	1.0	1.0	-	10.8	10.8	-	0.0%
Racing & Games of Chance	-	0.2	(0.2)	-	1.9	(1.9)	-100.0%
Other	6.9	6.5	0.4	47.5	49.7	(2.2)	-4.4%
Gambling Winnings Tax	-	1.0	(1.0)	-	3.1	(3.1)	-100.0%
Transfer from Lottery Commission	6.5	5.7	0.8	50.2	48.1	2.1	4.4%
Transfer from Racing & Charitable Gaming	0.3	0.1	0.2	2.7	0.9	1.8	200.0%
Tobacco Settlement	42.5	41.7	0.8	42.5	41.7	0.8	1.9%
Utility Property Tax	7.7	7.3	0.4	25.5	24.7	0.8	3.2%
State Property Tax	-	-	-	363.1	363.6	(0.5)	-0.1%
Subtotal Traditional Taxes & Transfers	252.6	245.6	7.0	1,799.1	1,780.5	18.6	1.0%
Net Medicaid Enhancement Rev	(2.6)	0.4	(3.0)	57.9	93.3	(35.4)	-37.9%
Recoveries	0.5	2.2	(1.7)	5.1	17.1	(12.0)	-70.2%
Total Receipts	\$ 250.5	\$ 248.2	\$ 2.3	\$ 1,862.1	\$ 1,890.9	\$ (28.8)	-1.5%

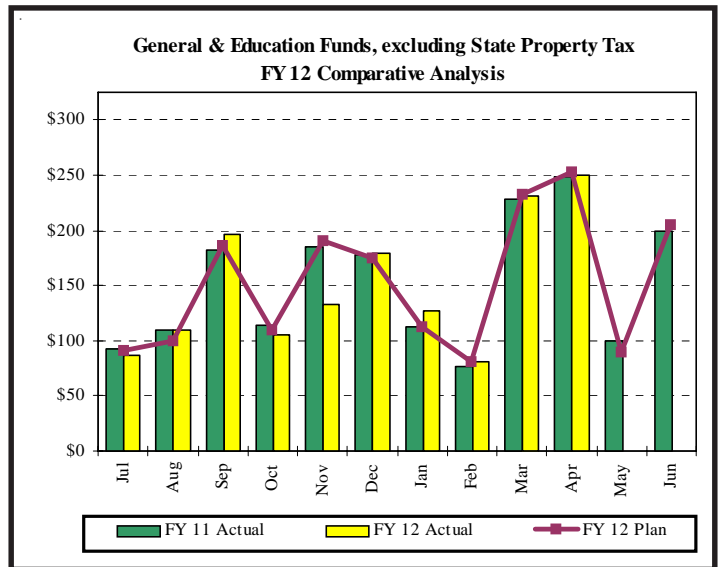
All funds reported on a cash basis, dollars in millions.

General and Education Funds

Year-to-Date Comparison to Plan										
General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 209.5	\$ 209.4	\$ 0.1	\$ 44.9	\$ 45.2	\$ (0.3)	\$ 254.4	\$ 254.6	\$ (0.2)	-0.1%
Business Enterprise Tax	55.3	51.7	3.6	110.5	103.5	7.0	165.8	155.2	10.6	6.8%
Subtotal Business Taxes	264.8	261.1	3.7	155.4	148.7	6.7	420.2	409.8	10.4	2.5%
Meals & Rentals Tax	195.3	188.3	7.0	6.4	6.3	0.1	201.7	194.6	7.1	3.6%
Tobacco Tax	110.7	104.1	6.6	64.2	81.1	(16.9)	174.9	185.2	(10.3)	-5.6%
Transfer from Liquor Commission	104.5	107.4	(2.9)	-	-	-	104.5	107.4	(2.9)	-2.7%
Interest & Dividends Tax	68.4	72.5	(4.1)	-	-	-	68.4	72.5	(4.1)	-5.7%
Insurance Tax	84.4	85.9	(1.5)	-	-	-	84.4	85.9	(1.5)	-1.7%
Communications Tax	65.9	66.5	(0.6)	-	-	-	65.9	66.5	(0.6)	-0.9%
Real Estate Transfer Tax	47.9	43.5	4.4	20.3	21.7	(1.4)	68.2	65.2	3.0	4.6%
Court Fines & Fees	11.3	11.4	(0.1)	-	-	-	11.3	11.4	(0.1)	-0.9%
Securities Revenue	32.8	32.1	0.7	-	-	-	32.8	32.1	0.7	2.2%
Utility Consumption Tax	5.0	5.0	-	-	-	-	5.0	5.0	-	0.0%
Board & Care Revenue	19.5	17.0	2.5	-	-	-	19.5	17.0	2.5	14.7%
Beer Tax	10.8	11.1	(0.3)	-	-	-	10.8	11.1	(0.3)	-2.7%
Other	47.5	50.2	(2.7)	-	-	-	47.5	50.2	(2.7)	-5.4%
Transfer from Lottery Commission	-	-	-	50.2	51.7	(1.5)	50.2	51.7	(1.5)	-2.9%
Transfer from Racing & Charitable Gaming	-	-	-	2.7	3.0	(0.3)	2.7	3.0	(0.3)	-10.0%
Tobacco Settlement	2.5	2.4	0.1	40.0	40.0	-	42.5	42.4	0.1	0.2%
Utility Property Tax	-	-	-	25.5	21.1	4.4	25.5	21.1	4.4	20.9%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	0.0%
Subtotal Traditional Taxes & Transfers	1,071.3	1,058.5	12.8	727.8	736.7	(8.9)	1,799.1	1,795.2	3.9	0.2%
Net Medicaid Enhancement Rev	57.9	97.0	(39.1)	-	-	-	57.9	97.0	(39.1)	-40.3%
Recoveries	5.1	2.1	3.0	-	-	-	5.1	2.1	3.0	142.9%
Total Receipts	\$ 1,134.3	\$ 1,157.6	\$ (23.3)	\$ 727.8	\$ 736.7	\$ (8.9)	\$ 1,862.1	\$ 1,894.3	\$ (32.2)	-1.7%

Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to April 30, 2012	
Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	727.8
Expenditures	
Education Grants & Adm Costs	(971.3)
Ending Surplus / (Deficit)	\$ (243.5)

Fiscal 2012 Adequate Education Grant payments of \$593.0 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.1 million of grants through local retention of Statewide Property Tax collections. The FY 2012 budget anticipated a deficit of \$136.5 million, to be covered by a General fund transfer at year end.

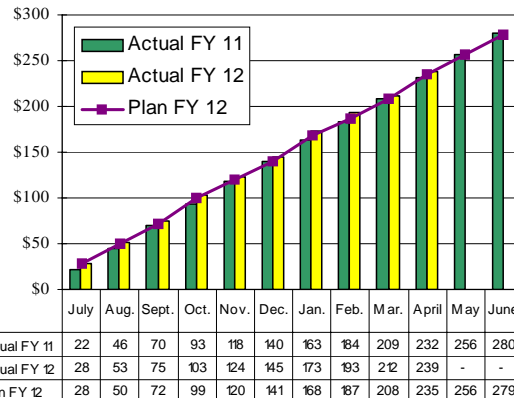


All funds reported on a cash basis, dollars in millions.

Highway Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 102.8	\$ 104.4	\$ (1.6)
Miscellaneous	43.5	40.2	3.3
Motor Vehicle Fees			
MV Registrations	63.1	61.0	2.1
MV Operators	10.3	10.0	0.3
Inspection Station Fees	3.1	3.2	(0.1)
MV Miscellaneous Fees	9.5	10.0	(0.5)
Certificate of Title	6.2	6.1	0.1
Total Fees	92.2	90.3	1.9
Total	\$ 238.5	\$ 234.9	\$ 3.6

Monthly Comparison to YTD 11 Highway

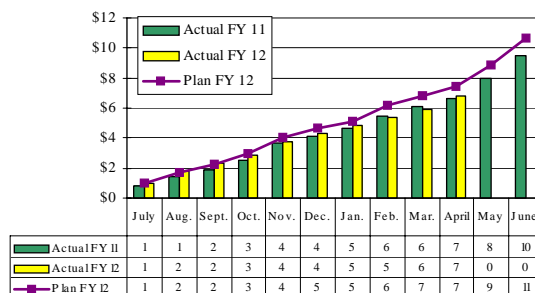


- According to **Road Toll** Operations, actual fuel consumption is down approximately 2.1% over the same period last year, and is tracking slightly below estimates due to economic conditions, weather and more fuel efficient vehicles.
- According to the Department of Transportation, the **Miscellaneous** category is ahead of plan due to earlier receipts of cost reimbursement (revenue) received by the Highway Fund for Federal and Turnpike projects.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 5.5	\$ 6.0	\$ (0.5)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.9	0.7	0.2
Federal Recoveries Indirect Costs	0.3	0.6	(0.3)
Total	\$ 6.8	\$ 7.4	\$ (0.6)

Monthly Comparison to YTD 11 Fish & Game



All funds reported on a cash basis, dollars in millions.

Sales of Cigarette Stamps

Period ended April for each of last five years
(number of stamps, in thousands)

The eleven month basis analysis is provided to assist in understanding the YTD April cash basis revenue in which cash collections for bonded sales can be delayed for up to 30 days. Accordingly, June to April volume would appear to be lower than the same period of the prior year. The ten month basis is provided in anticipation of the accrual basis revenue which will be recognized for fiscal year reporting, and reflects an increase in stamp sales.

Year	11 month basis			10 month basis		
	Sales of Stamps	Volume Change	Percent Change	Sales of Stamps	Volume Change	Percent Change
Five year cumulative>>>>		(28,923)	-20.5%		(25,150)	-19.7%
2012***	112,446	(1,536)	-1.3%	102,209	601	0.6%
2011	113,982	(5,554)	-4.6%	101,608	(3,634)	-3.5%
2010*	119,536	(20,587)	-14.7%	105,241	(21,794)	-17.2%
2009**	140,123	(1,246)	-0.9%	127,036	(323)	-0.3%
2008*	141,369			127,359		

Tax rate changes effective-Increases: July 1(*) and October 15(**); Decrease: July 1(***)

Prepared from data provided by DRA

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